

**Duke, Daphne**

**From:** Terreni, Charles  
**Sent:** Monday, September 11, 2006 5:03 PM  
**To:** Duke, Daphne  
**Subject:** FW: CWS Docket No. 2006-92-WS

Please post to DMS

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**From:** John Hoefer [mailto:jhoefer@willoughbyhoefer.com]  
**Sent:** Monday, September 11, 2006 11:28 AM  
**To:** Terreni, Charles; nsedwar@regstaff.sc.gov  
**Subject:** RE: CWS Docket No. 2006-92-WS

Mr. Terreni – Reserving my earlier objections to Mr. Long's testimony, I would object to the Commission's receipt or consideration of the contents of the email from Mr. Long which you have forwarded to me. I do not perceive how due process can be honored if Mr. Long is allowed to change the testimony he gave under oath which has already been subjected to cross-examination. Further, I believe Mr. Long's characterization of the impact of his admittedly incorrect calculation on "3000 + customers" is inconsistent with his testimony to the effect that he was testifying on his own behalf. Please let me know if I need to do anything further to record my objection. Thank you.

Respectfully,

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**From:** Terreni, Charles [mailto:Charles.Terreni@psc.sc.gov]  
**Sent:** Friday, September 08, 2006 3:40 PM  
**To:** nsedwar@regstaff.sc.gov; John Hoefer  
**Subject:** FW: CWS Docket No. 2006-92-WS

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**From:** CCMDON@aol.com [mailto:CCMDON@aol.com]  
**Sent:** Friday, September 08, 2006 3:24 PM  
**To:** Terreni, Charles  
**Subject:** Re: CWS Docket No. 2006-92-WS

Mr. Terreni,

During the public testimony yesterday, September 7, 2006, Mr. Hoefer, the CWS counsel, pointed out an inadvertent error in one of our calculations having to do with the comparison of CWS rates in the Lake Wylie Franchise District to those of five (5) other neighboring providers of similar size in York County. I believe it would be unfortunate and would be unfair to the 3,000+ customers of CWS in Lake Wylie if such a minor mathematical error were to, in any way, affect the outcome of the PSC's deliberations on this application for rate increases.

Thus, I am submitting this correction, such that the PSC may consider the mathematically correct information. The error appears on the seventh (7th) page (including the cover page) of my testimony as sent to you on the afternoon of September 5, 2006, and, I understand, provided to each of the Commissioners.

**The calculations are based on a residential water usage of 6,000 gallons per month. In the table showing three columns labeled "Charges Per Rate Schedule"; "Number of Customers"; and "Premium Paid in LWFD", the figure shown for LWFD in the first column reads \$102.96. This should be \$93.83,**

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**composed of:**

CWS Proposed Water Basic Facilities Charge	\$ 11.61
CWS Proposed Water Commodity Charge (\$2.03/1,000 Gal.)	12.18
CWS Proposed Sewer Residential Collection Charge	27.30
York County Water Supply Charge (\$3.26/1,000 Gal.)	19.56
York County Sewer Treatment Charge (\$3.64/1,000 Gal.)	21.84
York County Water Base Charge	.17
York County Sewer Base Charge	.36
SC DHEC Fee	.81
<b>Total Charges (6,000 Gallons)</b>	<b>\$ 93.83</b>

**As a result the third column in the table, "Premiums Paid in LWFD" vis-a-vis each of the other five (5) systems should be:**

York County Water & Sewer Service (YCWSS):	39.5%
Tega Cay Water Service (TCWS):	23.8%
Tega Cay Utility Department (TCUD):	59.3%
City of York:	53.6%
Town of Clover:	33.7%
Average of 5 Non-LWFD Systems:	42.0%

**The 2nd paragraph following the table should read:**

"The average monthly cost of residential water and sewer service for residential usage of 6,000 gallons of water in the five surrounding districts (YCWSS, TCWS, TCUD, York and Clover) is \$66.63. CWS customers in the Lake Wylie Franchise District are being asked to pay \$93.83 for the same level of water and sewer service. This is a premium of 42.0% This seems unfair and unreasonable, particularly considering the similarity of the service provided and the similar sizes of the systems involved."

**The next full paragraph should read:**

"1. We would like to understand why we are paying over 40% more than our immediate neighbors for the same water and sewer services delivered to directly comparable numbers of customers, often through the same pipes."

**On the 2nd page of my testimony, the item identified as "5." should read:**

"If the proposed rates are approved, CWS customers in Lake Wylie would be paying rates which amount to a 42.0% premium over virtually identical services offered by at least five (5) other comparably sized neighboring service providers in York County."

**On the 8th page of my testimony, the item identified as "B" should read:**

"B." Customers of Carolina Water Service, Inc. in Lake Wylie are being proposed to pay rates for water and sewer service which reflect a 42.0% premium over virtually identical services provided by comparably sized providers in adjacent service areas in York County."

Mr. Terreni, the erroneous figures were not used in other calculations, so our conclusions regarding rate base rates of return, and other financial and customer set data remain as presented.

I would appreciate your providing the Commissioners with these corrected data so that they can make their decision based on information without mathematical errors. I apologize for any inconvenience this may have caused.

Thank you for your attention.

Don Long

9/12/2006